

March 8, 1997

MEMORANDUM TO: Distribution

FROM: Michael J. Rubino, Associate Director
Acquisition Services Branch

SUBJECT: Policy Memorandum No. 97-003, Use of Payment
Authorization Vouchers for Reimbursing Expenses under the
Field Subscription Program and for Finders Fees

1. Purpose. The purpose of Policy Memorandum No. 97-003 is to supplement the policies and procedures stated in the Acquisition Policy Manual (APM) regarding the use of Payment Authorization Vouchers (PAVs) for (1) reimbursing Division of Supervision and Division of Compliance and Consumer Affairs Field Office personnel for expenses associated with the Field Subscription Program and (2) paying finders's fees to private sector firms or individuals for the recovery of FDIC lost property.

2. References. (a) APM 9.B.3, *Use of Payment Authorization Vouchers*, page 9-3
(b) Bulletin 3021, Field Subscription Program, dated December 9, 1992
(c) Policy Memorandum on the Finder's Fee Program, dated
December 28, 1995

3. Scope. This Policy Memorandum is applicable to all Contracting Officers and other Acquisition Services Branch personnel, particularly those involved with processing the Report on Improper Use of Payment Authorization Vouchers. It represents a formal revision to the APM and will be incorporated therein at a later date.

4. Background. The APM recognizes that there are certain circumstances where goods and services are provided to the Corporation through its normal course of business that are not procured by a Warranted Contracting Officer. These are considered as nonprocurement related expenses and are listed in APM 9.B.3.a. and b. Two new circumstances are listed below that need to be added to that list of expenses that can be paid using a PAV.

a. Field Subscription Program

FDIC issued Bulletin 3021 on December 9, 1992 establishing the Field Subscription Program. Under this program, FDIC allows Division of Supervision and Division of Compliance and Consumer Affairs Field Office personnel to be reimbursed up to \$115 per year for authorized periodical subscriptions and/or book purchases. In the past, these types of expenses were reimbursed using a travel voucher. This practice has stopped and the most efficient way to reimburse this expense is with a PAV.

b. Finder's Fee Program

On December 28, 1995, the Division of Depositor and Asset Services (now the Division of Resolutions and Receiverships) issued a policy memorandum establishing the Finder's Fee Program as an approved Best Practices Recommendation. The memorandum sets forth program policies and guidelines which allow for a "finder's fee" to be paid to a private sector firm or individual in exchange for the recovery of a failed institution's funds which are considered unclaimed, abandoned, or lost. PAVs shall be used to pay all approved Finder's Fees.

5. APM Change. In accordance with the foregoing, the APM is hereby changed as follows:

a. APM 9.B.3.a., *Non-Procurement Administrative-Related Expenses*, is modified to add the following:

"(14) Payment to reimburse Division of Supervision and Division of Compliance and Consumer Affairs Field Office personnel for periodical subscriptions and/or book purchases up to \$115.00 in accordance with the Field Subscription Program."

b. APM 9.B.3.b., *Non-Procurement Business/Legal-Related Expenses*, is modified to add the following:

"(20) Payment (called Finder's Fees) to private sector firms or individuals in return for the recovery of FDIC lost property in accordance with the policies and procedures of the Finder's Fee Program established by the Division of Resolutions and Receiverships."

6. APM/Expenditure Authority. For the exceptions stated above, competitive/noncompetitive contracting procedures specified in the APM do not apply. However, it is still the Program Office's responsibility to obtain expenditure authority for these types of expenses in accordance with the applicable delegations.

7. Effective Date. This Policy Memorandum is effective immediately.

8. Contacts. If you have any questions regarding this Policy Memorandum, please call Dave McDermott on (202) 942-3434.

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